



STATE OF MARYLAND  
MILITARY DEPARTMENT  
FIFTH REGIMENT ARMORY  
BALTIMORE, MARYLAND 21201-2288

MDNG-AG-SPMO

18 April 1989

SPMO POLICY/GUIDANCE LETTER #21

SUBJECT: Retirement (CSRS/FERS)

SEE DISTRIBUTION

CIVIL SERVICE RETIREMENT SYSTEM (CSRS)

1. Optional (Voluntary) Retirement (employed prior to Jan 84 - CSRS).

a. Technician meeting the optional retirement requirements, who desire to retire with an immediate retirement annuity, must advise the SPMO of their intended retirement at least 60 days in advance of the desired effective date.

b. The SPMO will verify eligibility and will forward necessary forms and instructions to the technician.

c. Requirements. Technicians must have been employed and making contributions to the retirement system for at least one year within the 2-year period immediately preceding separation and meet one of the following minimum age and service combinations:

(1) Age 62 and 5 years of civilian service, or

(2) age 55 and 30 years of creditable service, including 5 years of civilian service, or

(3) age 60 and 20 years creditable service, including 5 years of civilian service.

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This SPMO Policy/Guidance Letter supersedes SPMO Policy/Guidance Letter #21 dated 14 January 1987, subject: Retirement.

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2. Discontinued Service (Involuntary) Retirement - CSRS.

a. Requirements for Discontinued Service Annuity. Technicians must have been employed and making contributions to their retirement system for at least 1 year within the 2-year period immediately preceding separation and meet either of the following requirements:

(1) Be age 50 and have completed 20 years creditable service, including 5 years of civilian service, or

(2) regardless of age, completed 25 years of creditable service, including 5 years of civilian service.

b. Supervisors are responsible for notifying the SPMO when it is apparent a technician may lose their military membership, or has other significant changes in military status that would affect technician employment. Some examples are:

CSRS and FERS

(1) Loss of Military Membership. National Guard officers, warrant officers, and enlisted personnel who are separated from their technician positions due to elimination under the provisions of ROPA or other selective retention programs are considered to be involuntarily separated.

(2) Failure to Accept Reenlistment. The failure to accept an enlisted technician's reenlistment application, if properly qualified, by any method other than qualitative or selective screening retention action, is not a basis for discontinued service requirement if denied reenlistment was for cause on charges of misconduct, delinquency, or inefficiency. This also applies to the failure to accept an extension of enlistment.

(3) Military Physical Disqualification. A technician who is separated from a technician position for failure to meet military physical standards may be eligible to apply for a civil service disability retirement. Eligibility determinations will be made on an individual basis by OPM Bureau of Retirement.

(4) Commissioning of Enlisted Technicians. Where a technician who occupies an enlisted military position as a condition of employment accepts a military commission and is subsequently terminated from technician employment for failure to hold the military grade specified for their technician position, such separation is considered voluntary. Therefore, the technician would not be entitled to a discontinued service annuity or severance pay.

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(5) Officer Technician Accepting an Appointment as a General Officer. In other than selected units, if an officer technician is offered and accepts a promotion to general officer, the technician, if otherwise eligible, would be entitled to a discontinued service annuity.

(6) Loss of Military Membership at Age 60. A technician who loses military membership due to reaching age 60 is considered to be involuntarily separated, and would qualify for a discontinued service annuity provided he/she has at least 20 years of creditable service.

(7) Loss of military membership due to the ARNG/ANG Weight Control Program is not considered a qualifying reason for discontinued service retirement or severance pay.

c. The SPMO will:

(1) Determine eligibility for discontinued service retirement annuity.

(2) Advise the technician concerned.

(3) Prepare and forward appropriate documents to be completed and returned by the applicant.

d. Technicians involuntarily separated for reasons other than loss of military membership (reduction-in-force, management directed reassignment outside local commuting area, etc.) will be notified by the SPMO with appropriate instructions pertaining to retirement eligibility. A reclassification of a technician's position will not support a finding of involuntary separation for retirement purposes. Those individuals involuntarily separated and not eligible for discontinued service retirement may qualify for severance pay and/or a deferred annuity at age 62.

### 3. Deferred Retirement - CSRS and FERS.

a. Technicians with over 5 years civilian service (technician or other Federal civilian service) will qualify for a deferred annuity at age 62 regardless of their age or number of years service at the time of termination, providing they leave all retirement deductions on deposit with the Civil Service Retirement System or the Federal Employees' Retirement System at the time of termination.

b. No action is required by a technician at the time of termination if they decide to leave their retirement deductions on deposit. Deductions may be withdrawn at any later date (see paragraph 6).

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c. Making application for deferred retirement annuity is an individual's responsibility upon reaching age 62. Application may be made through any local office of OPM or by contacting the SPMO for the appropriate application forms.

d. Annuities for deferred retirement are based on the same formula as for optional or discontinued service retirement and computed on the actual years of creditable service, and "high-three" average annual salary at the time of separation.

#### 4. Disability Retirement.

a. Eligibility for a disability retirement annuity can only be determined by the OPM, Civil Service Retirement System/Federal Employees' Retirement System.

b. Loss of military membership because of physical disqualification could entitle a technician to a disability retirement annuity.

c. Supervisors must ensure that technicians are informed of their right to file for a disability retirement.

d. Request for disability retirement application forms will be forwarded by appropriate supervisors to the SPMO (enclosure 1). The SPMO will return the necessary forms and completion instructions to the supervisor. The supervisor and the technician concerned will complete the forms as required and return them to the SPMO who will forward all forms to the OPM, Civil Service Retirement System and Federal Employees' Retirement System, for eligibility determination. No commitment regarding eligibility will be made by the SPMO. While the claim is pending, if the technician is incapacitated to the degree that assigned duties cannot be performed in a satisfactory manner, the technician should be placed in a sick, annual, compensatory time, or LWOP status until final OPM adjudication has been made. Upon determination of eligibility by the OPM, the technician will be terminated from technician status only after sick leave has been used, providing military membership has not yet been terminated. If military membership has already been lost, the technician will be terminated upon receipt of approval of annuity from OPM. The SPMO will also advise OPM of the termination date, which becomes the effective date from which annuity payments are computed. If the applicant has been on leave without pay pending adjudication of disability retirement, the annuity is effective retroactive to the first day in a non-pay status. The SPMO will notify the technician and the supervisor of the retirement date.

e. Requirements. The applicant must meet all of the following requirements:

- (1) Must have completed at least 5 years of civilian

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service and 18 months for FERS.

(2) Must have become totally disabled for useful service in his/her position or any other position of the same grade and class.

(3) The disease or injury which caused the disability must not be the result of vicious habits, intemperance, or willful misconduct on the part of the employee within the 5-year service immediately prior to becoming disabled.

(4) The application for disability retirement must be filed with the OPM as specified in their regulations.

5. Deposit and Redeposit - CSRS.

a. Unless a technician makes a deposit to the retirement fund to cover any periods of service for which retirement deductions were not made, the annuity will be reduced by 10% of the amount owed.

b. Technicians with prior Federal Civil Service, who withdrew retirement funds from the Civil Service Retirement System, are not entitled to credit of annuity computation purposes unless a redeposit is made for the funds withdrawn.

c. A technician may increase their retirement benefits by applying for and making voluntary contributions to the retirement fund. For each \$100.00 contributed in addition to the regular deductions, the annuity is increased by \$7.00 a year plus 20 cents for each full year the technician is over age 55 at retirement.

d. Application for Deposit or Redeposit, SF 2803 (enclosure 2) and additional information may be obtained from the SPMO.

6. Refund of Retirement Contributions - CSRS.

a. Individuals terminating technician employment, who had retirement deductions withheld from their pay but do not qualify for a retirement annuity, may either leave the deducted deposit with OPM, Civil Service Retirement System or may withdraw the deductions.

b. Upon termination, each technician will be provided a SF 2802, Application for Refund of Retirement Deductions (enclosure 3), with instructions for submission.

FEDERAL EMPLOYEES' RETIREMENT SYSTEM (FERS)

7. The FERS Basic Benefit Plan provides retirement benefits

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based on years of service, age and high-three consecutive years of service. An employee can retire at the minimum retirement age if he/she has enough years of service and receives unreduced benefits.

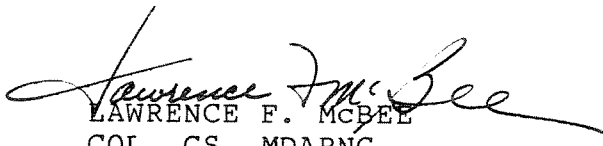
8. An individual can retire and receive an immediate unreduced benefit if he/she has 5 years of civilian service and is 62, 20 or more years of service and is 60, or 30 or more years of service and has reached the minimum retirement age as below:

<u>Born In</u>	<u>Minimum Retirement Age</u>
Before 1948	55 years
1948	55 years 2 months
1949	55 years 4 months
1950	55 years 6 months
1951	55 years 8 months
1952	55 years 10 months
1953 to 1964	56 years
1965	56 years 2 months
1966	56 years 4 months
1967	56 years 6 months
1968	56 years 8 months
1969	56 years 10 months
After 1969	57 years

9. Because of the complexity of the FERS Program it is impossible to list all the benefits and requirements. Refer to your Federal Employee Retirement System Handout (RI 90-1) or call the SPMO for any area not understood.

FOR THE ADJUTANT GENERAL:

3 Enclosures

  
LAWRENCE F. MCBEE  
COL, GS, MDARNG  
Personnel Officer

DISTRIBUTION:

All Full-Time Support Managers/  
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